

**MINUTES FROM THE PUBLIC HEARING OF THE ST. CHARLES CITY COUNCIL
HELD ON MONDAY, DECEMBER 5, 2016 – 6:55 P.M.
CITY COUNCIL CHAMBERS, IN THE CITY COUNCIL CHAMBERS
2 E. MAIN STREET ST. CHARLES, IL 60174**

1. Call To Order By Mayor Rogina 6:57 P.M.

2. Roll Call.

Present: Stellato, Silkaitis, Payleitner, Lemke, Turner
Bancroft, Krieger, Gaugel, Bessner, Lewis
Absent: None

3. Presentation.

Public Hearing concerning passage of the proposed 2016 Tax Levy for the City of St. Charles.

Chris Minick, Finance Director

Each year we have a public hearing as part of the tax levy process. The public hearing is tonight. As mentioned, notice of the public hearing was published in the Daily Herald on November 3, 2016. Tonight's hearing will have a brief presentation with an opportunity for questions and comments. The next step in the process, passing the ordinance for the tax levy. These ordinances are up for consideration during the City Council meeting.

The 2016 tax levy is going to be similar to the 2015 tax levy. We are requesting a tax levy amount of \$20,031,740. We do anticipate that the operating levy would be frozen for the eighth consecutive year. It has been at \$12,055,000 since 2009 and we do anticipate continuing that into the 2016 tax levy. We are expecting an increase in the city wide EAV, equalized assessed valuation, in other words the taxable value of the property in the city limits. We anticipate that this increase will be approximately 3.4%. If we do realize that 3.4% increase, we will have a corresponding decrease in the City's tax rate and therefore there would be no impact to the City's portion of the tax bill for the 2016 tax levy for the average City resident. Consistent with the prior years we do anticipate of abating or removing the debt service levies for all of our general obligation bond issues. The operating levy would be the only part of the levy that will appear on residents' tax bills. Additionally, the tax levy maintains our practice of funding our pension funds to the maximum amount as recommended by the City's actuary.

The amount of the 2016 levy is a little over \$20,000,000. This is about a .35% decrease from 2015 tax levy. We are also expecting an increase in the EAV of 3.4%. That would take the taxable value of the property within the City to about \$1.368 billion dollars. If we do realize the 3.4% increase in EAV, we would anticipate the City's tax rate would decline by approximately \$.03 per \$100 of EAV. That would take our rate from \$.91 for the 2015 levy to \$.88. These amounts are estimates.

The actual amount of the levy will be \$12,055,000 resulting in the consistent levy between years. The pie chart shows how the 2015 tax levy broke out. There are several taxing districts that make up a tax bill for a City resident. The City of St. Charles accounts for about 9.5% of the property tax bill.

What are the next steps? We have an ordinance on City Council agenda for approval this evening. We will then file that ordinance with the County Clerks of Kane and DuPage counties. We will proceed with the debt service abatement of \$8 million. We will be bringing those ordinances

forward in January 2017. Then typically in early spring we would anticipate that the County would finish all its work related to the 2016 tax levy and the tax bills will be mailed around May 1. Now it's appropriate to answer any questions that the Council or the public may have.

Alder.Turner.

We have kept this levy steady now for nine years, our costs have gone up. Is this because our bonds have matured or are we just trying to squeeze more out of our budget.

Chris Minnick

It's kind of two fold. Our expenses have been increasing and our costs have been increasing. But some of other revenue streams, other than property tax, have been increasing. We are at least break even every year since the great recession. In fact, most years we have a couple of \$100,000 in surplus. That's due to the increase in revenue stream. This has helped offset the impact of keeping the property tax levy consistent.

- No written comments received in Clerk's Office.
- No additional comments by Staff, Council or citizens.

4. Adjournment.

Motion by Stellato, seconded by Silkaitis, to adjourn meeting

VOICE VOTE

UNANIMOUS

MOTION CARRIED

Meeting adjourned at 7:05 P.M.

Nancy Garrison, City Clerk

CERTIFIED TO BE A TRUE COPY OF ORIGINAL

Nancy Garrison, City Clerk